



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

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May 10, 1988

TO: Ken May, Associate Director

FROM: Holland Shepherd, Reclamation Specialist *HWS*

RE: Rio Algom, Surety Release, Rio Algom Mine, M/037/001, San Juan County, Utah

I spoke with Ms. Tanta-Lisa Clayton of First Security Banks Corporate Accounts Division today. She explained that First Security will require formal, written instructions from the Division to release the escrow funds of \$835,828.25. Apparently there is no language in the current agreement which allows us to simply release the funds. The agreement will have to be amended or rewritten. Ms. Clayton advised enlisting the Attorney General's office to help draft up a new agreement which will require DOGM and Rio Algom signatures.

*Crockett*  
I also spoke to Mr. Brent Clayton of Rio Algom LTD. He is handling the surety agreements with the NRC and DOGM. He indicated that the NRC is now waiting for DOGM to take steps to release the escrow funds. The ball is now in Rio Algom's and DOGM's court. Once we are ready to release the money we would notify the NRC. Rio Algom and the NRC would then do their paper signing, the NRC would notify us upon completion and we would complete the release of our escrow funds.

*Brent Clayton -*

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